The Honorable Michael E. Busch Speaker of the House State House Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 988 – *State Board of Dental Examiners* – *Restructuring and Licensee Protection*. I have done so because, due to a technical error, the enrolled bill that actually passed was not the version the General Assembly believed it enacted, and thus it does not reflect legislative intent.

House Bill 988 as originally filed would have made substantial changes to the operation of the State Board of Dental Examiners. As it moved through the House and Senate, numerous amendments to the bill altered its scope significantly. An inadvertent procedural error on *sine die*, however, resulted in the enactment of the wrong set of amendments to the bill. The amendments that passed are not the amendments that were adopted by the Senate Education, Health, and Environmental Affairs Committee (EHEA) and described in the EHEA floor report. They are also not the amendments with which the House Health and Government Operations Committee believed it concurred, and that were described on the House floor before the House concurred with the Senate amendments.

While I have vetoed the bill because it does not reflect legislative intent, I believe that concerns about potential bias and inequities in the way the Board operates should be addressed nonetheless. To that end, I have directed the Department of Health and Mental Hygiene's Inspector General to conduct an audit of the last five years of the Board's complaint files, and to report back to me and to the General Assembly on his findings. This audit would have been mandated by the version of House Bill 988 the General Assembly intended to enact, and it will enable us to address next Session any problems that may be uncovered by the Inspector General.

For the above stated reason, I have vetoed House Bill 988.

Sincerely,

Martin O'Malley Governor The Honorable Thomas V. Mike Miller, Jr. President of the Senate State House Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I am allowing Senate Bill 907 – *Budget Accountability* – *Master Plans and Evaluations* to become law without my signature.

Senate Bill 907 amends and makes permanent the master plan process established under the Bridge to Excellence in Public Schools Act. It requires local boards of education to submit updates to their current master plans in 2008 and 2009 and to submit new five-year master plans in 2010, with annual updates thereafter. The bill requires the Maryland State Department of Education (MSDE) to submit an interim report on the evaluation of the Bridge to Excellence Act, also known as "Thornton," by December 31, 2007. Finally, the bill repeals the authority of the State Board of Education to withhold funds from a local school system that fails to both demonstrate annual progress toward improving student achievement and meeting State performance standards, and to submit an adequate master plan or update.

The Bridge to Excellence Act required each local board of education to submit a comprehensive master plan by October 2003 and annual master plan updates through the 2007-2008 school year. The master plans identified the goals and strategies used by local boards to improve student achievement and meet State performance standards. The State Superintendent of Schools is required to review and approve each master plan and annual update to ensure that these goals and strategies are aligned with the expenditure of State education aid and are improving student performance for all segments of the student population. The Act also requires MSDE to conduct an evaluation of the "effect of increased State aid for education on student and school performance in each local school system" and submit a final report in December 2008.

The master plan process and the evaluation of student and school performance are designed to ensure that local school systems are accountable for how they spend the historic increases in State education aid under the Bridge to Excellence Act. I strongly support the need for ongoing accountability measurements to ensure that Thornton funds are spent in an effective and equitable manner. I am allowing Senate Bill 907 to take effect because the legislation will continue the current master plan process that will otherwise expire in 2008. While this process has been beneficial during the phase-in of Thornton, I am not convinced that, as amended by Senate Bill 907, it allows adequate State oversight moving forward.

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Under the current master plan statute, the State Board has the authority to withhold funds from a local school board that fails to demonstrate improvements in student performance and fails to develop an adequate master plan or take other action required by the State Superintendent. On *Sine Die* night, the House of Delegates voted to repeal this authority. While the State has never withheld funds under this statute, the ability to do so, with the approval of the Governor, should be a key component of any future accountability system. The bill further provides that if the State Superintendent does not approve a county board's master plan update, the update may not be implemented. Since the update is submitted by October 15th and may not be approved or disapproved until halfway through the school year, the implementation of this provision is awkward and potentially problematic.

As noted earlier, an extensive evaluation of the effect of Thornton funding on student performance will be completed by December 2008. Prior to the 2009 Session, it is my intention to lead a process that will give legislators and the various stakeholders an opportunity to evaluate the current master plan process and make recommendations regarding ongoing accountability measures at all levels of government. It is my belief that the State needs data-driven performance measurements to evaluate student progress to make certain the State's significant investment in education is spent properly. The success of Thornton depends on strong State oversight to ensure that all children are afforded the resources and opportunities to achieve their academic potential.

For the above stated reasons, I am allowing Senate Bill 907 to become law without my signature.

Sincerely,

Martin O'Malley Governor